

10 July 2012

Dear Councillor/Sir/Madam

You are invited to attend an **CIVIC CENTRE REDEVELOPMENT STEERING COMMITTEE** of Ashfield Council, to be held on Level 6, Civic Centre, 260 Liverpool Road, Ashfield on **TUESDAY 17 JULY 2012** at **5:30 PM**.

SEE ATTACHED AGENDA

CIVIC CENTRE REDEVELOPMENT STEERING COMMITTEE - 17 JULY 2012

AGENDA

- 1. OPENING**
- 2. ACKNOWLEDGEMENT OF LOCAL INDIGENOUS COMMUNITY**
- 3. APOLOGIES/REQUEST FOR LEAVE OF ABSENCE**
- 4. DISCLOSURES OF INTEREST**

Disclosures to be made by any Councillors who have a pecuniary / non-pecuniary interest in respect of matters that are before Council at this meeting.
(17/07/2012)

- 5. CONFIRMATION OF MINUTES OF COUNCIL/COMMITTEES**

CIVIC CENTRE REDEVELOPMENT STEERING COMMITTEE - 15/05/2012

- 6. STAFF REPORTS**

6.1 Financial Update

6.2 Project Director's Report

- 7. GENERAL BUSINESS**

- 8. CLOSE**

Subject	FINANCIAL UPDATE
File Ref	CCRD
Prepared by	Kumar Pathmanathan - Acting Chief Financial Officer
Reasons	To provide the Committee with an update on the expenditure and funding position of the Civic Centre redevelopment project.

Overview of Report

The financial report provides the Steering Committee with a summary of the total project costs to date, the overall likely project costs and the impact on the funding.

Background

The following table provides a summary of the financial position of the construction project as at 31 May 2012. More detailed information is provided as Attachment 1.

Note: The Total Project Cost Life to Date including Commitments does not include Unpaid Construction Variations which totalled \$255k as at 31 May 2012.

Table 1 - Financial Summary	Revised Budget August 2011	Total Project Cost Life to Date including Commitments	Variance between Revised Budget and Life to Date Costs
	(A)	(F = D+ E)	(G=A-F)
STAGES 1 & 2			
Construction	12,711,871	12,238,265	473,606
Architect	836,234	773,345	62,889
Consultants	1,493,267	1,422,888	70,379
Council Works	1,135,285	1,012,664	122,621
Stage 1 & 2 Totals	16,176,657	15,447,162	729,495
STAGE 3A			
Construction	2,395,005	594,502	1,800,503
Architect	207,547	194,568	12,979
Consultants	354,905	175,108	179,797
Council Works	133,054	9,387	123,667
Stage 3A Totals	3,090,511	973,565	2,116,946

Estimate of Construction Variations

The following table reconciles the estimate of variations from Denham's to Council's estimate.

Financial Update

Denham's Estimate of Variations as per Claim 31	2,940,138.09
Less variations not included in Ashfield Council's estimate	
v95 Management of design consultant	508,250.89
Add estimates where Denham's have indicated TBA	
v 145 New Wing concrete topping remedial works	17,000.00
Ashfield Council's Estimate of Variations	<u>2,448,887.20</u>

Stage 1 & 2 - Construction Variations

Attachment 1 shows that the Construction Variations budget as at August 2011 was \$4,175k which included a general contingency of \$305k.

Attachment 2 provides a break-up of the components of the Construction Variations and reports that an amount of \$469k (Prior month \$469k) remains available. This balance is based on Ashfield Council's estimate of the cost of the construction variations and takes into account the Unpaid Construction Variations which totalled \$255k as at 31 May 2012.

Note: The identified defects from Stage 1 (approx \$295k) also need to be funded from this contingency balance.

Other Stage 1 & 2 Contingencies

Attachment 2 identifies the contingency amounts included in the August 2011 budget and identifies the balance available.

Currently the balances available are:

- Architect - \$44k (Prior month \$44k)
- Consultants - \$28k (Prior month \$28k)

Stage 3A - Construction

Since the August 2011 budget, a further \$43k of construction costs have been allocated to Stage 3A construction costs, bringing the total life to date costs to \$595k.

Stage 3 Construction Contingencies

Currently the balances available are:

- Stage 3A construction - \$448k (Prior month \$448k)

Funding Position – Construction Project:

The following table summarises the balance of the individual restrictions and the shortfall of funds based on the Revised Budget as at August 2011. A detailed reconciliation of each restriction is included as Attachment 3.

There has not been any change in the project funding since the last report.

Project:	Stage 1 & 2	Stage 3A
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Financial Update

Total Funds Allocated to the Project*	16,181,953	3,090,511
Budget Total Project Costs August 2011	16,176,657	3,090,511
Surplus (Shortfall) in Funding	5,296	NIL

* Assumes the balance of grants funds for Phase 2 (\$1.1m) will be received and a loan of \$2.1m will be drawn.

Financial Implications

The funding for Stages 1 & 2 has now been fully expensed and Council's General Fund is temporarily funding the project until loan funds are obtained. \$2.1m of loan funds are scheduled to be received in the 4th quarter.

At second quarter budget review Council voted the funds necessary to complete Stage 3A of the redevelopment.

Other Staff Comments

Nil

Public Consultation

Nil

Conclusion

Based on the August 2011 budget, the financial reports do not highlight areas of over expenditure.

ATTACHMENTS

Attachment 1	Summary Of Financial Information	1 Page
Attachment 2	Contingency Reconciliation	1 Page
Attachment 3	Funding Position	1 Page

RECOMMENDATION

That the information in this report be noted.

NELLETTE KETTLE
Director Corporate & Community Services

Ashfield Council							
Civic Centre redevelopment							
For Period May 2012							
Table 1 - Financial Summary	Revised Budget August 2011	Total Project Cost to 30 June 2011	Project Cost from 1 July 2011 to 31 May 2012	Total Project Cost Life to Date	Commitments from Contingency Reconciliation	Total Project Cost Life to Date including Commitments	Variance between Revised Budget and Life to Date Costs
	(A)	(B)	(C)	(D = B + C)	(E)	(F = D + E)	(G = A - F)
STAGES 1 & 2							
Building Works - Contractor	8,537,000	7,200,042	1,319,168	8,519,210	17,790	8,537,000	0
Building Works - Contractor - Variations	4,174,871	2,519,256	927,037	3,446,293	254,972	3,701,265	473,606
Construction Total	12,711,871	9,719,298	2,246,205	11,965,503	272,762	12,238,265	473,606
Architect	836,234	685,211	88,134	773,345	0	773,345	62,889
Consultants - Private Certifier & BCA	50,623	34,624	9,643	44,267		44,267	6,356
Project Management	164,057	164,057	0	164,057		164,057	0
All Sub - Consultants	887,629	724,178	98,338	822,516	0	822,516	65,113
ROC - Superintendent	390,958	262,277	129,771	392,048		392,048	(1,090)
Consultants Total	1,493,267	1,185,136	237,752	1,422,888	0	1,422,888	70,379
Compliance - Probity	29,948	29,949		29,949		29,949	(1)
DA Compliance	47,861	5,266		5,266		5,266	42,595
Eaust Substation	114,923	93,527	23,659	117,186		117,186	(2,263)
Legal Costs	16,593	16,593		16,593		16,593	0
Long Service Leave Levy	36,050	36,050		36,050		36,050	0
Relocation	108,474	51,984	7,182	59,166		59,166	49,308
Agency Staff	24,420	24,420		24,420		24,420	(0)
Wages	66,369	66,369		66,369		66,369	0
Goods & Services	690,463	595,637	61,844	657,481	0	657,481	32,982
Plant Charges	184	184		184		184	(0)
Council Works Total	1,135,285	919,979	92,685	1,012,664	0	1,012,664	122,621
Stage 1 & 2 Totals	16,176,657	12,509,624	2,664,776	15,174,400	272,762	15,447,162	729,495
STAGE 3A							
Building Works - Contractor	1,942,764	551,542	38,810	590,352		590,352	1,352,412
Building Works - Contractor - Variations	452,241		4,150	4,150	0	4,150	448,091
Construction Total	2,395,005	551,542	42,960	594,502	0	594,502	1,800,503
Architect	207,547	154,757	39,811	194,568	0	194,568	12,979
Consultants - Private Certifier & BCA	32,914	17,244	1,500	18,744		18,744	14,170
Project Management	107,396	17,670		17,670		17,670	89,726
All Sub - Consultants	214,595	138,623	71	138,694	0	138,694	75,901
ROC - Superintendent				0		0	0
Contingency				0		0	0
Consultants Total	354,905	173,537	1,571	175,108	0	175,108	179,797
Legal Costs				0		0	0
Long Service Leave Levy				0		0	0
Goods & Services	133,054	9,387		9,387	0	9,387	123,667
Council Works Total	133,054	9,387	0	9,387	0	9,387	123,667
Stage 3A Totals	3,090,511	889,223	84,342	973,565	0	973,565	2,116,946
Total Project	19,267,168	13,398,847	2,749,118	16,147,965	272,762	16,420,727	2,846,441

Ashfield Council					
Civic Centre redevelopment					
For Period March 2012					
Table 2 - Contingency Reconciliations	Revised Budget August 2011	Transfers - Funds Actually Spent	Total Budget	Spent / Committed	Balance Available
STAGE 1 & 2					
Contractor - Spent up to 30/6/2011	7,200,042		7,200,042	7,200,042	0
Contractor - Balance of Project	0	1,319,168	1,319,168	1,319,168	0
Balance of Contract	1,336,958	(1,319,168)	17,790	17,790	0
Construction Contract Total	8,537,000	0	8,537,000	8,537,000	0
Construction Variations - Spent up to 30/6/2011	2,519,256		2,519,256	2,519,256	0
Construction Variations - Paid to Date	0	927,037	927,037	927,037	0
Construction Variations - Unpaid but Committed	0	254,972	254,972	254,972	0
Break down of Contingencies / Variations:					
Progress Claim 24	13,517	(13,517)	0		0
Other	47,702	(47,702)	0		0
Agreed Variations	450,000	(450,000)	0		0
Stage 1 Pending not paid	289,473	(289,473)	0		0
Stage 2 - Design Contingency	250,000	(250,000)	0		0
Contingency - Stage 2 General Project	304,923	(131,317)	173,606		173,606
Stage 1 Design Defect Rectification	300,000	(4,800)	295,200		295,200
Construction Variations Total	4,174,871	(4,800)	4,170,071	3,701,265	468,806
Architect - Spent up to 30/6/2011	685,211		685,211	685,211	0
Architect - Balance of Project	106,609		106,609	88,134	18,475
Contingency	44,414		44,414		44,414
Architect Total	836,234	0	836,234	773,345	62,889
Consultants - Spent up to 30/6/2011	1,185,136		1,185,136	1,185,136	0
Consultants - Balance of Project	258,131	22,000	280,131	237,752	42,379
Contingency	50,000	(22,000)	28,000		28,000
Consultants Total	1,493,267	0	1,493,267	1,422,888	70,379
Council Works - Spent up to 30/6/2011	919,979		919,979	919,979	0
Council Works - Balance of Project	215,306	4,800	220,106	92,686	127,420
Contingency	0		0		0
Council Works Total	1,135,285	4,800		1,012,665	127,420
Stage 1 & 2 Totals	16,176,657	0	16,176,657	15,447,163	729,494
STAGE 3A					
Contractor - Spent up to 30/6/2011	551,542		551,542	551,542	0
Contractor - Balance of Project	1,391,222		1,391,222	38,810	1,352,412
Construction Contract Total	1,942,764	0	1,942,764	590,352	1,352,412
Construction Variations - Spent up to 30/6/2011			0		0
Construction Variations - Balance of Project		4,150	4,150	4,150	0
Contingency - Stage 3 General Project	452,241	(4,150)	448,091		448,091
Construction Variations Total	452,241	0	452,241	4,150	448,091
Architect - Spent up to 30/6/2011	154,757		154,757	154,757	0
Architect - Balance of Project	52,790		52,790	39,811	12,979
Contingency	0		0		0
Architect Total	207,547	0	207,547	194,568	12,979
Consultants - Spent up to 30/6/2011	173,537		173,537	173,537	0
Consultants - Balance of Project	181,368		181,368	1,571	179,797
Contingency			0		0
Consultants Total	354,905	0	354,905	175,108	179,797
Council Works - Spent up to 30/6/2011	9,387		9,387	9,387	0
Council Works - Balance of Project	123,667		123,667	0	123,667
Contingency	0		0		0
Council Works Total	133,054	0	133,054	9,387	123,667
Stage 3A Totals	3,090,511	0	3,090,511	973,565	2,116,946
Total Project	19,267,168	0	19,267,168	16,420,728	2,846,440

Civic Centre Report @ 31/5/12

Civic Centre Redevelopment Stages 1 & 2 Restriction	
<u>Calculation of Remaining Funds Available</u>	
Restrictions @ 30/6/2011	
Committed Expenditure	594,847
Total Funds Available 1/7/2011	594,847
Grant for Accessibility (HACC) to be received in 2011-12	70,000
August 2011 review of Actual Transactions - transfer from Phase 2	-139,468
August 2011 review of Actual Transactions - Additional costs up to 30 June 2011	-53,050
Resolution 27/9/11 - Transfer from ELE Restriction	300,000
Resolution 27/9/11 - Transfer from Bonds & Deposits Restriction	800,000
Total Funds Available	1,572,329
Funds Spent in 2011/12 (including Commitments)	2,664,776
Balance of Funds Available in the Restriction	-1,092,447
<u>Calculation of Funding Shortfall</u>	
Estimated Total Project Costs @ August 2011	16,176,657
Total Project Costs to 30/6/2011	12,509,624
Year to Date Project Costs 2011/12	2,664,776
Total Project Costs to Date	15,174,400
Balance to Spend	1,002,257
Loan Funds still to draw down	2,100,000
Less: Balance of Funds Available	-1,092,447
Surplus (Shortfall) in Available Funds [Agrees to Overall Summary]	5,296
Civic Centre Redevelopment Stage 3A Restriction	
<u>Calculation of Remaining Funds Available</u>	
Restrictions @ 30/6/2011	
Civic Centre Stage 2 Grant (\$1.165m Received)	185,995
Committed Expenditure - Civic Centre Stage 3 Interest	27,949
Total Funds Available 1/7/2011	213,944
August 2011 review of Actual Transactions - transfer to Phase 1	139,468
Interest Allocated for 2011/12	
Total Funds Available	353,412
Funds Spent in 2011/12 (including Commitments)	84,342
Balance of Funds Available in the Restriction	269,070
<u>Calculation of Funding Shortfall</u>	
Estimated Total Project Costs @ August 2011	3,090,511
Total Project Costs to 30/6/2011	889,223
Year to Date Project Costs 2011/12	84,342
Total Project Costs to Date	973,565
Balance to Spend	2,116,946
Balance of Grant to Receive (\$2.3m in total excluding GST)	1,165,936
Less: Balance of Funds Available	269,070
Surplus (Shortfall) in Available Funds [Agrees to Overall Summary]	-681,940

7/06/2012

Subject	PROJECT DIRECTOR'S REPORT
File Ref	ACCRD
Prepared by	Robert Burke - ACCRD Project Officer
Reasons	To provide Council with a project overview of the activities during the period to June 2012

Overview of Report

This report is to provide Council with the project status to 5 July 2012 and provide an overview of the project schedule.

Background

Stage 1

Practical Completion Achieved: 5 May 2011
Defect's Liability Expired: 4 May 2012

Council on the 28 June 2012 met with the builder and Superintendent to resolve a number of the outstanding issues relating to this stage of the project. The meeting appears to have resolved positive solutions to rectify the primary issues relating to water leaks and the mechanical systems. It is expected that all these issues will be resolved within the next 4-6 weeks with an extended defects liability period to cover these works until December 2012.

Stage 2

Practical Completion Achieved: 8 December 2011
Defects Liability Expires: December 2012

1. Project Reconciliation

The complete final reconciliation of the project to date (Stages 1 and 2) still remains outstanding as minor variations have not been finalised at this stage. The implication of these variations is not projected to be of a significant nature.

The status of the outstanding defects was noted at the recent meeting with the builder as indicated above.

2. Stage 2 Opening Ceremony

On Tuesday 3 July, Her Excellency Marie Bashir AC CVC, Governor of New South Wales attended the official opening and naming of the Civic Centre Activity Rooms. The rooms

Project Director's Report

were named after the four foundation members of the Aboriginal Consultative Committee and approximately 120 people were in attendance.

Stage 3

1. Construction

Rapid Constructions have commenced with the design review, site establishment and demolition works. A builders report was not required at the time of preparing this report. A full update on program, design works and construction update will be available at the next meeting.

Limited parking will still be available for Councillors within the basement during the works.

2. Procurement of a Superintendent

In consultation with our Commercial Advisor, Council went to selective quotation to six companies for the services of a Superintendent. The estimated value for this service is under the \$150k and therefore does not require a formal tender process.

Three submissions were received from Sweet Group, ROC Projects and SDHA. The quotations were competitive and were assessed against the selection criteria. ROC Projects were considered to be the better valued company to provide the services to Council. ROC Projects were the Superintendent for the completion of the Stages 1 and 2 of the project. This previous knowledge of the site and of Council's operations will assist both the new builder and Council.

There is no Superintendent's Report this month.

Council Works

Archives

As advised at last month's workshop the entire basement archives and records storage have now been relocated to temporary locations. Meeting rooms on Level 5 and 6 have been utilised to house the historic collection. Other items have been moved to the Depot storage facility and the Aquatic Centre's old superintendent's residence. The Level 6 storage affects the gallery and is only an interim measure until the permanent new glass doors are installed to the "cow hide room" on Level 2. These new doors are expected to be installed within the next two weeks and then the collection relocated at this time. This means that research & Archival requests will be extremely limited during this period and whilst requests will be reviewed & assessed on an individual basis, given we have very limited access to material it is expected that for the most part requests may need to be deferred until the Archives collection is fully operational.

We are expecting to have Council Archives re-housed and operational by February/March 2013.

Clearing the site

The town hall and basement have been cleaned out of material ready for the builder. This work occurred in conjunction with the relocation of archives. The old temporary

Project Director's Report

workstations from the town hall are being re-used by Sunnyfield Independence. See attached letter of appreciation.

Activity/Meeting Rooms

New electronic “smart” boards have been received and are operational now for staff and community use. These board replace the need for separate whiteboards, projector, screen and are commonly seen in classrooms. Feedback on the units has been excellent with even the youth Friday night movie screening utilising the board.

Staff Amenities

The “staff garden club” will commencing shortly with the delivery of some large planter boxes for the balcony area on L5. It is envisaged that once operational fresh fruit and vegetables will be available on demand.

Cafe

The barrister commenced operation on the 21 June and is now serving coffee and light refreshments within the ground floor foyer area.

MRC

The lease for the retail space has been signed by MRC and fit out works will commence in the coming weeks. Attached is the proposed graphics for the front and side glass panels. Note that the words “community services” will be replaced with “community hub” to avoid confusion with Council’s and State Government community services in Ashfield.

Financial Implications

The financial report is reported separately to the Civic Centre Steering Committee Meeting.

Other Staff Comments

N/A

Public Consultation

N/A

Conclusion

This report provides Council with an overall status of the CCRD project to 5 July 2012. Further reports will be provided at appropriate stages.

ATTACHMENTS

Attachment 1	CCSC June Workshop Project update	2 Pages
Attachment 2	Sunnyfield letter	3 Pages
Attachment 3	MRC graphics	1 Page

RECOMMENDATION

That Council note this report.

VANESSA CHAN
General Manager

CIVIC CENTRE STEERING COMMITTEE**WORKSHOP****19 JUNE 2012****PROJECT UPDATE****Background****Stage 1**

Practical Completion Achieved: 5 May 2011

Defect's Liability Expired: 4 May 2012

1. Defect rectification

As advised last month there were a number of items identified and issued in the final defects listing for Stage 1. Denham have undertaken some of the works identified and met with Council on larger items, specifically water leaks. Further discussions will be held in relation to defect resolution and the associated contractual implications, including the extension of defect liability period, in coming weeks.

Stage 2

Practical Completion Achieved: 8 December 2011

Defects Liability Expires: December 2012

2. Project Reconciliation

A final reconciliation of the project to date (Stages 1 and 2) still remains outstanding as two variations have not been finalised at this stage. The cost of these variations is not projected to be of a significant nature.

3. Stage 2 Opening – Activity Rooms

The Activity Rooms will be named and launched during NAIDOC week.

Tuesday 3 July, 6.30pm: Her Excellency Marie Bashir AC VO, Governor of New South Wales will be attending the official opening and naming of the new Civic Centre Activity Rooms. These rooms have been named after the four Aboriginal foundation members of the Aboriginal Consultative Committee (ACC), Therese Heffernan, Patricia Blackman, Irene Williams and Peter Cross.

Stage 3

4. The construction tender process

On 18 June Council executed the contract with Rapid Construction for works to Stage 3. We are currently finalising exchange of native format documentation and drawings which will enable Rapid to finalise design.

5. RLCIP Grant Funding

Following resolution of Council to accept the Rapid Construction Tender 22 May 2012 and subsequent execution of contract, Council has now provided the Commonwealth with all remaining documentation and evidence to enable the final RLCIP payment of approx \$350k.

6. Procurement of a Superintendent

The procurement of this role was delayed due to the extended D&C construction tender process. However, Council will this week commence a procurement of a Superintendent for the Stage 3 works, via quotation. The estimated value of this service is under \$150k and so does not require tender.

7. Clearing the site

Council officers are working diligently to remove the considerable material currently in the town hall, basement and temporary library locations. The disposal of asset is being managed in accordance with our policy but with a further eye to delivering triple bottom line outcomes. To this end we are seeking to

1. Secure income, where possible
2. Minimise disposal cost, where possible
3. Achieve sustainability outcomes – material sent to re-use/recycling
4. Re-use opportunities are provided to community and other charitable organisations.

The basement may need to continue to be used for storage over the short term and possibly a site office for the new builders throughout the construction stage.

The Builders will advise of this once they have completed their updated program. Councillors will be advised of the implications of this as soon as it we know the builder's requirements. It is our attention to provide at least limited parking for councillors throughout the build. In the meantime, over next few weeks, we expect basement parking to remain available to councillors.

The historic archive will be moved to L6 meeting room for an interim period while permanent new glass doors are fixed to the "cow hide room". This means the galler in chambers may be effected through July 2012. We are addressing this issue as a priority.

Rob Burke
Project Director

Vanessa Chan
General Manager

ASHFIELD COUNCIL
ORIGINAL SENT TO OFFICER
MHAR + VCHA

Sunnyfield
independence

ASHFIELD COUNCIL

RECORDS SECTION
SCANNED

5/7/12 DATE

Ms Vanessa Chan
General Manager
Ashfield Council
PO Box 1145
ASHFIELD, NSW 2131

27 June 2012



Dear Vanessa

Re: Ashfield Council's donation to Sunnyfield.

On behalf of the Board and Management of Sunnyfield, I would like to thank you for Ashfield Council's donation of 20 workstations towards Sunnyfield's Enterprises division, valued at over \$4,000 in total. Please find enclosed two certificates as small tokens of our appreciation.

Sunnyfield appreciates your support in enriching the lives of people with an intellectual disability by creating choice, opportunities and independence for them to lead the lives they want. Your contribution will assist us in achieving our vision and ensure that the needs of our Supported Employees will be well accommodated for many years to come.

Thank you once again for your help and support of Sunnyfield. We look forward to continuing a mutually engaging relationship with Ashfield Council.

Warm regards

Mark Clayton
Acting Chief Executive Officer

Copy: Fred Van Steel – General Manager, Enterprises, Sunnyfield
Stephen Robb – Operations Manager, Enterprises, Sunnyfield
Bill Wilson – Senior Supervisor, St Marys Enterprises, Sunnyfield

Sunnyfield supports people with disabilities to lead more independent lives

Sunnyfield | 185 Allambie Road, Allambie Heights NSW 2100 | PO Box 886 Brookvale NSW 2100
Tel: (02) 8977 8888 | Fax: (02) 8977 8873 | Email: info@sunnyfield.org.au | Website: www.sunnyfield.org.au
Donation Hotline: 1800 00 44 93
Donations of \$2 and over are tax deductible | Charity fundraising number 13915 | ABN 72 000 415 127





